

EFFECTIVE DATE OF ACT

SEC. 22. This Act shall become effective on the date of its enactment, except that sections 8 and 9, and subsection (b) and paragraph (1) of subsection (a) of section 14 shall become effective one year after the date of publication of notice in the Federal Register of the designation of mandatory standards as provided for in section 6(b) of this Act.

Approved September 16, 1966, 12:20 p.m.

Public Law 89-578

AN ACT

September 16, 1966
[H. R. 13558]

To provide for regulation of the professional practice of certified public accountants in the District of Columbia, including the examination, licensure, registration of certified public accountants, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known and may be cited as the "District of Columbia Certified Public Accountancy Act of 1966".

District of
Columbia Certi-
fied Public Ac-
countancy Act of
1966.

DEFINITIONS

SEC. 2. As used in this Act—

(a) The term "certified public accountant" means a person who is the holder in good standing of a certificate of certified public accountant issued under the laws of any State or Territory of the United States authorizing him to practice as a certified public accountant in such State or territory. A "certified public accountant of the District of Columbia" is a person who is the holder in good standing of a certificate of certified public accountant issued under the Act of Congress approved February 17, 1923, as amended (42 Stat. 1261, ch. 94), or who is the holder in good standing of a certificate of certified public accountant or of an endorsement of certificate of certified public accountant issued pursuant to section 6 or 8, respectively, of this Act authorizing him to practice as a certified public accountant in the District of Columbia.

D. C. Code
2-901 to 2-909.

(b) The term "Commissioners" means the Commissioners of the District of Columbia sitting as a board or their authorized agent or agents.

(c) The term "Board" means the Board of Accountancy.

(d) The term "person" includes partnerships, corporations and associations as well as natural persons.

(e) The term "he" and the derivatives thereof shall be construed to include the word "she" and the derivatives thereof.

SEC. 3. (a) No natural person shall assume or use the title or designation "certified public accountant" or the abbreviation "C.P.A.", or any other title, designation, words, letters, or abbreviations tending to indicate that such person is a certified public accountant, or is likely to be confused with "certified public accountant" or "C.P.A.", unless such person is a holder of a certificate of certified public accountant. No natural person shall engage or hold himself out to the public as being engaged in the practice of public accountancy as a certified public accountant in the District of Columbia, unless such natural person is the holder of a certificate of certified public accountant of the District of Columbia or an endorsement of certificate of certified public accountant as provided in sections 6 and 8 of this Act.

(b) No partnership shall assume or use the title or designation "certified public accountants" or the abbreviation "C.P.A.'s" or any other title, designation, words, letters, abbreviations, sign, or device tending to indicate that such partnership is composed of certified public accountants, unless such partnership is registered as a partnership of certified public accountants under section 10 of this Act.

(c) No corporation shall assume or use the title or designation "certified public accountant" or the abbreviation "C.P.A." or any other title, designation, words, letters, abbreviations, sign, card, or device tending to indicate that such corporation is licensed as a certified public accountant or likely to be confused with "certified public accountant" or "C.P.A."

(d) Nothing in this Act shall be construed to prohibit any person, partnership, or corporation from practicing public accountancy either gratuitously or for hire: *Provided*, That such person, partnership, or corporation does not assume the title of "certified public accountant", or the abbreviation "C.P.A." or any other titles, designations, or abbreviations likely to be confused with "certified public accountant" or "C.P.A."

Board of Accountancy, establishment.

SEC. 4. (a) The Commissioners are hereby authorized and empowered to establish a Board of Accountancy, composed of three certified public accountants of the District of Columbia, to serve as their agent and to delegate to such Board of Accountancy any of the technical and professional functions vested in the Commissioners by this Act. Each of the members of the Board of Accountancy shall be registered in accordance with the provisions of section 9 of this Act and, at the time of appointment to the Board, shall have been engaged in the practice of public accountancy as a certified public accountant for a period of not less than ten years, at least five years of which shall have

been in the District of Columbia. The requirements of the preceding sentence shall not apply to those persons who are members of the Board of Accountancy on the date of enactment of this Act. The length of terms for Board members shall be three years and no person shall be appointed to the Board for more than two terms. The Commissioners shall have the authority to determine from time to time the amount of compensation to be paid to Board members.

The Commissioners may remove any member of the Board of Accountancy for neglect of duty or for other sufficient cause.

SEC. 5. The Commissioners are authorized to adopt from time to time such rules and regulations as may be necessary to carry out the purposes of this Act including, but not limited to, rules of professional conduct and grounds for denial, suspension, or revocation of any certificate, endorsement, or registration applied for or issued under this Act. The Board of Accountancy shall make recommendations to the Commissioners concerning the adoption of such rules and regulations. No such rules or regulations shall be adopted until after the Commissioners shall have held a public hearing thereon.

Rules and
regulations.

SEC. 6. (a) The Commissioners are authorized to issue a certificate of certified public accountant of the District of Columbia to any applicant furnishing to the Commissioners satisfactory proof that he has the following qualifications:

C.P.A. certifi-
cate, issuance.

- (1) Is at least twenty-one years of age;
- (2) Is a citizen of the United States, or has declared his intention of becoming such citizen;
- (3) Has actually and continuously resided in or has been domiciled in the District of Columbia or has been regularly employed in the District of Columbia on a continuous full-time basis for a period of not less than one year immediately prior to the date of filing an application, or, in the case of an employee of a certified public accountant or firm of certified public accountants registered to practice in the District of Columbia, has been a bona fide resident of a foreign country for a period of not less than eighteen months immediately preceding the date of filing an application and is not qualified to be examined and to receive a certificate of certified public accountant in the State of last residence solely because of the aforesaid residence abroad;
- (4) Has had the education and experience specified in section 7 hereof;
- (5) Has successfully completed an examination in accounting and such related subjects as prescribed by the Commissioners;
- (6) Is of good moral character; and
- (7) Has paid all required fees.

(b) Applications for certificate of certified public accountant by examination approved prior to the effective date of this Act by the Commissioners of the District of Columbia, created under prior law, shall be regarded as applications filed under this Act, and the terms and conditions governing carryover credits for having passed a part of the examination in effect at the effective date of this Act, shall control with respect to such applications.

(c) A person who holds a certificate of certified public accountant issued under the laws of the District of Columbia on the effective date of this Act shall not be required to obtain an additional certificate under this Act, but shall otherwise be subject to all the provisions of this Act and such certificate shall, for all purposes, be considered a certificate issued under this Act and subject to the provisions hereof. The holder of a certificate of certified public accountant which is in full force and effect, shall be styled and known as a certified public accountant and may also use the abbreviation "C.P.A.".

Educational and
experience re-
quirements.

SEC. 7. (a) Commencing on the effective date of this Act and for one year thereafter the educational and experience requirements shall be:

(1) Completion of a four-year course of study at an approved high school, or the equivalent of such a course of study, and

(2) Completion of a resident course of study satisfactory to the Commissioners at an institution, junior college, or school of accountancy, or combination thereof, of not less than sixty semester hours of which a minimum of thirty semester hours shall have been in accounting theory and practice, in auditing, and in commercial law as affecting accountancy, and the remainder of the semester hours shall have been in subjects satisfactory to the Commissioners, and

(3) Not less than one year's experience satisfactory to the Commissioners in the full-time employment of a certified public accountant of the District of Columbia or of any State or territory of the United States, regularly engaged in the full-time public practice of his profession as a certified public accountant, or in the full-time employment of a firm of certified public accountants all the partners of which are certified public accountants of the District of Columbia or of some other State or territory of the United States, and said firm is regularly engaged in the full-time public practice as certified public accountants.

(b) Commencing one year from the date of enactment of this Act, the educational and experience requirements shall be:

(1) (A) Completion of a four-year course of study at an approved high school, or the equivalent of such a course of study, and

(B) Completion of a resident course of study satisfactory to the Commissioners at an institution, junior college, or school of accountancy, or combination thereof, of not less than sixty semester hours of which a minimum of thirty semester hours shall have been in accounting theory and practice, in auditing, and in commercial law as affecting accountancy and the remainder of the semester hours shall have been in subjects satisfactory to the Commissioners, and

(C) Not less than four years' experience satisfactory to the Commissioners in the full-time employment of a certified public accountant of the District of Columbia or of some other State or territory of the United States regularly engaged in the full-time public practice of his profession as a certified public accountant or in the full-time employment of a firm of certified public accountants, all the partners of which are certified public accountants of the District of Columbia or of some other State or terri-

tory of the United States, and said firm is regularly engaged in the full-time public practice as certified public accountants, or

(2)(A) Completion of a four-year course of study at an approved high school or the equivalent of such a course of study, and

(B) Completion of a resident course of study satisfactory to the Commissioners at an institution, junior college, or school of accountancy, or combination thereof, of not less than ninety semester hours of which a minimum of thirty semester hours shall have been in accounting theory and practice, in auditing, and in commercial law as affecting accountancy, and the remainder of the semester hours shall have been in subjects satisfactory to the Commissioners, and

(C) Not less than three years' experience satisfactory to the Commissioners in the full-time employment of a certified public accountant of the District of Columbia or of some other State or territory of the United States regularly engaged in the full-time public practice of his profession as a certified public accountant or in the full-time employment of a firm of certified public accountants, all the partners of which are certified public accountants of the District of Columbia or of any State or territory of the United States, and said firm is regularly engaged in the full-time public practice as certified public accountants, or

(3)(A) Completion of a four-year course of study at an approved high school or the equivalent of such a course of study; and

(B) Completion of a resident course of study satisfactory to the Commissioners at an institution, junior college, or school of accountancy, or combination thereof, of not less than one hundred and twenty semester hours with a major in accountancy satisfactory to the Board, or what the Board determines to be substantially the equivalent thereof, and

(C) Not less than two years' experience satisfactory to the Commissioners in the full-time employment of a certified public accountant of the District of Columbia or of some other State or territory of the United States regularly engaged in the full-time public practice of his profession as a certified public accountant or in the full-time employment of a firm of certified public accountants all the partners of which are certified public accountants of the District of Columbia or of some other State or territory of the United States and said firm is regularly engaged in the full-time public practice as certified public accountants.

(c) Commencing with the effective date of this Act, the Commissioners may, upon recommendation of the Board of Accountancy, except for any required year of certified public accountant employment as set forth in subsections (b) (1) (C), (b) (2) (C), and (b) (3) (C) of this section, one and one-half years of actual and continuous experience of any person (1) in auditing the books and accounts of other persons in three or more distinct lines of commercial business in accordance with generally accepted auditing standards, or (2) in a combination satisfactory to the Board of the experience described in (1) above together with auditing the books and accounts or activities of three or more governmental agencies or distinct organizational units in accordance with generally accepted auditing standards and reporting on their operations to a third party, to the Congress, or to a State legislature, or (3) in reviewing financial statements and supporting material covering the financial condition and operations of private business entities to determine the reliability and fairness of

the financial reporting and compliance with generally accepted accounting principles and applicable Government regulations for the protection of investors and consumers. Nothing in this subsection shall be interpreted as precluding consideration of Government experience for recognition under this subsection.

(d) In general, the educational and experience requirements specified in this section shall be those in effect on the final date for accepting applications for the examination for which the applicant first sits, but the Commissioners may permit exceptions to the general rule in order to prevent what they determine to be undue hardship to applicants resulting from changes in the educational and experience requirements made by this Act.

(e) The Commissioners are authorized and empowered to alter, amend, and otherwise change the educational and experience requirements specified in this section at any time, but in altering, amending, or changing said standards the Commissioners shall not be permitted to lower the same below the standards herein set forth.

SEC. 8. (a) The Commissioners may, in their discretion, waive the examination specified in section 6 of this Act and may issue an endorsement of certificate of certified public accountant, renewable periodically but no more frequently than annually, to an applicant who—

(1) is a certified public accountant of a State or territory of the United States, or who is the holder of a certificate of certified public accountant, or the equivalent thereof, issued in any foreign country, provided the requirements for such certificate are, in the opinion of the Commissioners, equivalent to those herein required; and

(2) meets the qualifications specified in clauses (1), (2), (4), (6), and (7) in subsection (a) of section 6 of this Act: *Provided, however,* That an applicant who is a certified public accountant in good standing of a State or territory shall not be required to meet more extensive educational and experience qualifications than those required by the District of Columbia at the time when such applicant was granted his certificate of certified public accountant by such State or territory; and

(3) declares his intention under oath of opening and maintaining or being employed in an office in the District of Columbia for the purpose of engaging in the full-time public practice of his profession as a certified public accountant of the District of Columbia.

(b) The holder of endorsement of certificate of certified public accountant, in full force and effect, shall have all of the privileges of the holder of a certificate of certified public accountant issued under section 6 of this Act and shall be subject to all of the provisions of the Act.

SEC. 9. Every certified public accountant engaged in or who proposes to engage in the public practice of his profession as a certified public accountant in the District of Columbia is hereby required to register periodically but no more frequently than annually with the Commissioners. A certified public accountant of the District of Columbia employed in the District of Columbia by another certified public accountant registered under this section or by a partnership of certified public accountants registered under section 10 of this Act, shall also be required to register. Failure of a certified public accountant or registrant to apply for such original or renewal registration shall deprive him of the right to engage in or continue to engage in the public practice of his profession as a certified public accountant unless and until he subsequently applies for and obtains such registration.

Endorsement of
C. P. A. certificate.

Registration.

SEC. 10. (a) A partnership which maintains an office within and engages in the full-time practice of public accountancy or a partnership which may hereafter wish to practice as such in the District of Columbia, may apply for registration, renewable periodically but no more frequently than annually, with the Commissioners as a partnership of certified public accountants, provided it meets all of the following requirements:

(1) Each partner thereof is a certified public accountant in good standing of the District of Columbia or of some State or territory.

(2) At least one partner or the resident manager thereof is a certified public accountant of the District of Columbia engaged in the full-time practice of public accountancy in the District of Columbia.

(3) Each partner thereof engaged in public practice as a certified public accountant in the District of Columbia is a certified public accountant of the District of Columbia.

(b) A registered partnership of certified public accountants, and only such partnership may use the title "Certified Public Accountants" and the abbreviation "C.P.A.s" in connection with the partnership name in the District of Columbia.

SEC. 11. After notice by registered or certified mail and reasonable opportunity for a hearing, the Commissioners are authorized and empowered to revoke, or suspend for not more than three years, any certificate, endorsement, or registration issued by the Commissioners in accordance with the provisions of this Act, or to refuse to grant or renew, any certificate, endorsement, or registration applied for in accordance with the provisions of this Act, or may censure the holder thereof if the applicant or holder thereof violates the rules of professional conduct or other rules and regulations adopted pursuant to this Act, or for other sufficient cause: *Provided*, That said denial, suspension, or revocation shall be made only upon specific charges in writing. A certified copy of any such charge and at least twenty days' notice of the hearing of the same, shall be served upon the holder of or applicant for such certificate, endorsement, or registration.

Revocation of
certificates, etc.

SEC. 12. The Commissioners are hereby authorized and empowered in connection with any hearing conducted pursuant to authority contained in section 11 of this Act, to subpoena any necessary witnesses, books, papers, records, and documents. Any such hearing shall be considered an investigation of a municipal matter within the meaning of the Act of July 1, 1902 (32 Stat. 591; D.C. Code, sec. 1-237).

Subpena power.

SEC. 13. After notice and hearing are given as provided for in section 11 of this Act, the Commissioners may revoke or suspend the registration of a partnership or may censure a registered partnership for any of the causes described in section 11 of this Act, or for any of the following additional causes:

(1) failure to maintain the qualifications prescribed by section 10 of this Act;

(2) the revocation or suspension by the Commissioners of the certificate or endorsement of a certificate of certified public accountant of any partner; or

(3) the cancellation, revocation, suspension or refusal to renew the authority of the partnership or any partner thereof to practice public accountancy in any State or territory.

SEC. 14. The Commissioners shall adopt and prescribe administrative procedures for public hearings for the purpose of denial, suspension, or revocation of a certificate, endorsement, or registration.

Public hearings.

SEC. 15. Upon application in writing and after hearing pursuant to notice, the Commissioners may issue a new certificate or endorsement

Re-issuance of
certificates.

of certificate of certified public accountant to a person whose certificate or endorsement of certificate shall have been revoked, or may permit the registration of a partnership or of a practicing certified public accountant whose registration has been revoked.

SEC. 16. Nothing contained in this Act shall prohibit any natural person not a certified public accountant from serving as an employee of or an assistant to a certified public accountant or a partnership of certified public accountants.

Nothing contained in this Act shall prohibit a certified public accountant or a partnership of certified public accountants of another State from temporarily performing specific accounting engagements in the District of Columbia on professional business incident to regular practice outside the District of Columbia: *Provided*, That such temporary practice is conducted in conformity with the rules of professional conduct promulgated by the Commissioners.

Penalty for
violations.

SEC. 17. Any person who violates any provision of section 3 of this Act shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500 or to imprisonment for not more than one year, or both such fine and imprisonment. Whenever the Commissioners have reason to believe that any person is liable to punishment under this section, they may refer the facts to the Corporation Counsel of the District of Columbia, who may cause the proper proceedings to be brought, if, in his judgment, such as warranted. Prosecutions for violations of any provision of section 3 of this Act shall be conducted in the District of Columbia Court of General Sessions in the name of the District of Columbia by the Corporation Counsel or any of his assistants.

SEC. 18. The use, display, or uttering by a person of a letterhead, listing, card, sign, advertisement, directory classification, or other printed, engraved, or written instrument or device, bearing a person's name in conjunction with the words "certified public accountant" or "certified public accountants" or any abbreviation thereof, shall be prima facie evidence in any action brought under section 17 of this Act that the person whose name is so displayed caused or procured the display or uttering of such letterhead, listing, card, sign, advertisement, directory classification, or other printed, engraved, or written instrument or device, and that such person is holding himself out to be a certified public accountant or partnership of certified public accountants.

SEC. 19. All statements, records, schedules, working papers, and memorandums made by a certified public accountant or by a partnership of certified public accountants incident to or in the course of professional service to clients, except reports submitted to clients, shall be and remain the property of such certified public accountant or partnership in the absence of an express agreement between such persons and the client to the contrary. No such statement, record, schedule, working paper, or memorandum shall be sold, transferred, or bequeathed, without the consent of the client or his personal representative or assignee, to anyone other than one or more surviving partners or new partners of such persons.

Severability of
provisions.

SEC. 20. If any provision of this Act or the application thereof to any person or to any circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Fees.

SEC. 21. The Commissioners are authorized and empowered, after public hearing, to establish, abolish, increase, or decrease, from time to time, fees and charges necessary to defray the approximate cost of administering the provisions of this Act. All funds derived from fees

and charges collected relevant to the administration of this Act shall be paid into the Treasury of the United States to the credit of the District of Columbia.

SEC. 22. There is hereby authorized to be appropriated out of revenues of the District of Columbia such funds as may be necessary to pay the expenses of administering and carrying out the purpose of this Act.

Appropriation.

SEC. 23. The Act entitled "An Act to create a board of accountancy for the District of Columbia, and for other purposes", approved February 17, 1923 (42 Stat. 1261), as amended, is hereby repealed.

Repeal.

SEC. 24. This Act shall take effect ninety days after the date of its enactment.

D.C. Code
2-901 to 2-909.
Effective date.

Approved September 16, 1966.

Public Law 89-579

AN ACT

September 16, 1966
[H. R. 399]

To provide adjustments in order to make uniform the estate acquired for the Vega Dam and Reservoir, Colibran project, Colorado, by authorizing the Secretary of the Interior to reconvey mineral interests in certain lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide adjustments in the interests in land heretofore acquired for the Vega Dam and Reservoir, Collbran project, Colorado, and thereby make uniform the estate acquired to fulfill necessary real estate requirements of the project, the Secretary of the Interior is authorized to reconvey to the former owner thereof any mineral interest, including oil and gas, heretofore acquired for said project, whenever the Secretary shall determine that the retention of such mineral interest is not required for public purposes and he shall have received an application for reconveyance as hereinafter provided.

Vega Dam and
Reservoir, Colo.
Mineral inter-
ests, reconvey-
ance.

SEC. 2. The Secretary shall give notice to the former owner of such mineral interest of the availability of the interest for reconveyance under the provisions of this Act. The former owner shall thereafter file an application within ninety days of the date of notice if he desires to have the interest reconveyed to him.

SEC. 3. Any mineral interest reconveyed under this Act shall be transferred for an amount determined by the Secretary to be equal to the price at which the mineral interest was acquired by the United States.

SEC. 4. As used in this Act the term "former owner" means the person from whom any mineral interest was acquired by the United States or, if such person is deceased, his spouse; or if such spouse is deceased, his children or heirs at law.

"Former owner."

SEC. 5. The Secretary of the Interior may delegate any authority conferred upon him by this Act to any officer or employee of the Department of the Interior. Such officer or employee shall exercise the authority so delegated under regulations prescribed by the Secretary.

Approved September 16, 1966.